

Message Text

SECRET

PAGE 01 MONTEV 01518 051654Z

12
ACTION PM-07

INFO OCT-01 ARA-16 ISO-00 AID-20 NSC-07 SP-03 SS-20 RSC-01

IGA-02 CIAE-00 INR-10 NSAE-00 TRSE-00 OMB-01 ACDA-19

EB-11 DRC-01 /119 W
----- 030999

R 051444Z JUN 74
FM AMEMBASSY MONTEVIDEO
TO SECSTATE WASHDC 6667
SECDEF
DOD/DIA
JCS
INFO USCINCSO

S E C R E T MONTEVIDEO 1518

E.O. 11652: GDS
TAGS: MASS, UY
SUBJ: SECURITY ASSISTANCE OBJECTIVES AND GUIDELINES FY 76-80

STATE PASS AID

USCINCSO FOR POLAD

REF: STATE 031505

1. IN VIEW OF THE LIMITED SECURITY ASSISTANCE RESOURCES LIKELY TO BE PROVIDED TO URUGUAY, THE EMBASSY IS SUBMITTING A SUMMARY STATEMENT RATHER THAN AN OVERALL ASSESSMENT OF THE NEED FOR EFFECTIVENESS OF AND INTERRELATIONSHIP BETWEEN VARIOUS ELEMENTS OF US SECURITY ASSISTANCE. ALSO INCLUDED IS A SUMMARY STATEMENT ON OTHER US ECONOMIC ASSISTANCE, THIRD COUNTRY MILITARY AND ECONOMIC ASSISTANCE AND THAT OF INTERNATIONAL FINANCIAL INSTITUTIONS.

2. OVERALL ASSESSMENT OF THE NEED FOR US SECURITY ASSISTANCE:
CONTINUED US SECURITY ASSISTANCE IS REQUIRED IN FY 75 AND IN THE PLANNING PERIOD TO ENABLE THE URUGUAYAN ARMED FORCES TO
SECRET

SECRET

PAGE 02 MONTEV 01518 051654Z

MAINTAIN INTERNAL SECURITY AND TO CARRY OUT A MODEST MODERNIZA-

TION PROGRAM. THE ARMED FORCES HAVE BEEN GIVEN PRIMARY RESPONSIBILITY FOR COUNTERING TERRORIST ACTIVITY WHICH, WHILE CONTAINED, HAS NOT BEEN ELIMINATED. WITHOUT OUTSIDE ASSISTANCE, THE ARMED FORCES WOULD BE HINDERED IN THIS EFFORT AND UNABLE TO CARRY OUT EVEN MODEST MODERNIZATION.

3. OUR SECURITY ASSISTANCE IS DESIGNED TO SERVE POLITICAL OBJECTIVES AS WELL. THE ARMED FORCES HAVE INCREASED THEIR INFLUENCE ON BOTH THE POLICY-MAKING AND PROGRAM IMPLEMENTATION LEVELS IN GOVERNMENT, A TREND WHICH WILL NOT BE REVERSED IN THE FORESEEABLE FUTURE. A REDUCTION OR TERMINATION OF SECURITY ASSISTANCE PROGRAMS COULD SEVERELY RESTRICT OUR INFLUENCE ON THE MILITARY. WE BELIEVE WE HAVE EXERTED A MODERATING INFLUENCE ON THE MILITARY AND IF IT WERE TO BE RESTRICTED AT THIS MOMENT IN URUGUAYAN HISTORY, GOU POLICIES WITH RESPECT TO REGIONAL SECURITY ARRANGEMENTS, THE INTERAMERICAN SYSTEM, THIRD WORLD RELATIONSHIPS AND OTHER US INTERESTS COULD BE ADVERSELY AFFECTED.

4. THERE ARE NO DISCREPANCIES BETWEEN THE CASP AND THE POM. BOTH PROJECT A MODEST PROGRAM INCLUDING FMS CREDITS, TRAINING, MATERIAL AND EDA. THIS PROGRAM IS DESIGNED TO CARRY OUT A LIMITED MODERNIZATION OF URUGUAY'S ARMED FORCES WITHOUT INCREASING TO THEM THE OVERALL COST OF DEFENSE. WE BELIEVE THAT IT WILL FURTHER OUR BASIC SECURITY AND POLITICAL OBJECTIVES WITHOUT JEOPARDIZING OUR DEVELOPMENT OR ECONOMIC OBJECTIVES.

5. EVALUATION OF OTHER ASSISTANCE: ALL ASSISTANCE PROGRAMS IN URUGUAY (US, THIRD COUNTRY AND INTERNATIONAL ORGANIZATIONS) ARE RELATED TO BASIC ECONOMICAL/SOCIAL DEVELOPMENT AND REFORM. MILITARY PROGRAMS IN URUGUAY ARE SO MODEST THAT THE IMPACT OF MILITARY EXPENDITURES ON DEVELOPMENT PROGRAMS WOULD BE MINIMAL.

6. WE HAVE PROJECTED FOR AID A \$10-15 MILLION EXPORT DEVELOPMENT LOAN (CAPITAL GOODS IMPORTS) PLUS \$3 MILLION AGRICULTURAL LOAN IN FY75 AS WELL AS A SMALL ON-GOING TECHNICAL ASSISTANCE PROGRAM (AROUND \$1.0 MILLION) CONTINUING THROUGH THE PLANNING PERIOD. THERE IS A POSSIBILITY OF SOME PL480 TITLE I BEING PROVIDED TO THE GOU IN FY 75. THE PRINCIPAL OBJECTIVE OF THE AID PROGRAM IS TO ENCOURAGE AND ASSIST THE GOU TOWARD SIGNIFICANTLY IMPROVING ECONOMIC PERFORMANCE DIRECTED AT STIMULATING PRODUCTION UPON WHICH ECONOMIC AND SOCIAL PROGRESS DEPENDS.

SECRET

SECRET

PAGE 03 MONTEV 01518 051654Z

FORMANCE DIRECTED AT STIMULATING PRODUCTION UPON WHICH ECONOMIC AND SOCIAL PROGRESS DEPENDS.

7. URUGUAY'S BASIC SHORT-TERM NEED IS FOR CONCESSIONAL ASSISTANCE TO HELP IT COVER THE EXPECTED 1974 BALANCE OF PAYMENTS DEFICIT CAUSED BY RISING OIL AND OTHER IMPORT PRICES AND DECLINING EXPORT MARKETS FOR TRADITIONAL PRODUCTS. THE GOU HAS RECEIVED MILITARY AND POLICE VEHICLES FROM ARGENTINA AND BRAZIL AND IS HOPEFUL THAT

PENDING BILATERAL CREDITS FROM ARGENTINA, BRAZIL AND SPAIN, PLUS IMF ASSISTANCE MAY ALLEVIATE ITS PAYMENTS PROBLEM THIS YEAR. IN DEVELOPING ITS INFRASTRUCTURE AND PRODUCTIVE BASE, IT IS RECEIVING IMPORTANT FINANCIAL ASSISTANCE FROM THE IBRD (IN LIVESTOCK, ENERGY) AND THE IDB (IN AGRICULTURE, TRANSPORT AND COMMUNICATIONS, INDUSTRIAL INFRASTRUCTURE, AND EDUCATION). THE PROPOSED AID LOANS WILL COMPLEMENT ASSISTANCE FROM OTHER AGENCIES IN THE KEY AGRICULTURAL AND EXPORT DEVELOPMENT AREAS. IN RESPECT TO TECHNICAL ASSISTANCE, UNDP, THE LARGEST SINGLE PROGRAM, IS ACTIVE IN PUBLIC ADMINISTRATION, INDUSTRIAL AND EXPORT PROMOTION, AGRICULTURE, EDUCATION, AMONG OTHERS. THE OAS PROVIDES MODEST ASSISTANCE IN PUBLIC ADMINISTRATION, EDUCATION, AND TRAINING. THIRD COUNTRY, AID AND INTERNATIONAL ASSISTANCE ACTIVITIES IN URUGUAY ARE COORDINATED THROUGH THE GOU PLANNING OFFICE WITH A VIEW TO AVOIDING DUPLICATION OR COMPETITION AND TO BE MUTUALLY REINFORCING. THE VERY MODEST SECURITY ASSISTANCE PROGRAM CONTEMPLATED DOES NOT SIGNIFICANTLY DIVERT GOU RESOURCES FROM DEVELOPMENT-REFORM ACTIVITIES.

SIRACUSA

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY ASSISTANCE, PERSONNEL TRAINING, ARMED FORCES, SECURITY, POLITICAL MILITARY RELATIONS, FOREIGN RELATIONS, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 05 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MONTEV01518
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740143-0731
From: MONTEVIDEO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740673/aaaacibt.tel
Line Count: 134
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION PM
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: STATE 031505
Review Action: RELEASED, APPROVED
Review Authority: cunninfx
Review Comment: n/a
Review Content Flags:
Review Date: 23 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 SEP 2002 by kellew0>; APPROVED <13 FEB 2003 by cunninfx>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SECURITY ASSISTANCE OBJECTIVES AND GUIDELINES FY 76-80 STATE PASS AID
TAGS: MASS, UY, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005